

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7885**

**BILL NUMBER:** SB 507

**NOTE PREPARED:** Jan 11, 2005

**BILL AMENDED:**

**SUBJECT:** Worker's Compensation Insurance.

**FIRST AUTHOR:** Sen. Clark

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill requires an insurer, before requiring a charitable, religious, educational, or other nonprofit organization to insure a person with whom the organization contracts for youth coaching services as an employee for purposes of worker's compensation and occupational disease law, to provide a written determination to the organization as to whether the person is an employee or an independent contractor. It requires the Worker's Compensation Board to review the insurer's determination at the organization's request.

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:** The bill requires the Worker's Compensation Board to review an insurer's determination of whether youth coaches employed or used by a charitable, religious, educational, or other nonprofit organization are employees or independent contractors. The board could incur some additional expense with reviewing the determinations. The impact would probably be minor and could be funded within current budget levels.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** The bill should have no local impact.

**Explanation of Local Revenues:**

**State Agencies Affected:** Worker's Compensation Board.

**Local Agencies Affected:**

**Information Sources:**

**Fiscal Analyst:** Chuck Mayfield, 317-232-4825.